

zabka group

Selected consolidated financial information
for the Q1 2026
(not reviewed by auditor)



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Financial review for Q1 2026 (not reviewed by auditor)

Executive summary

Table 1: Selected Financial and Operational Metrics for Q1 2026 vs Q1 2025, including non-statutory elements

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Selected statutory measures			
Revenue (PLNm)	6,565	5,666	15.9%
Gross Profit (PLNm)	959	814	17.8%
EBITDA (PLNm)	648	545	19.0%
Adjusted EBITDA ¹ (PLNm)	674	596	13.1%
Net profit (net loss) (PLNm)	(73)	(125)	41.8%
Adjusted Net profit (net loss) ² (PLNm)	(51)	(77)	33.0%
Selected KPIs and APMs			
Sales to End Customers ³ (PLNm)	7,411	6,618	12.0%
Number of stores ⁴ (EoP)	12,750	11,460	11.3%
Like-for-Like ⁵ (%)	3.2%	6.0%	(2.9pp)
EBITDA margin ⁶ (%)	8.7%	8.2%	0.5pp
Adjusted EBITDA margin ⁷ (%)	9.1%	9.0%	0.1pp
Net profit (net loss) margin ⁸ (%)	(1.0%)	(1.9%)	0.9pp
Adjusted Net profit (net loss) margin ⁹ (%)	(0.7%)	(1.2%)	0.5pp
Franchisee margin ¹⁰ (PLNm)	(1,315)	(1,149)	14.4%
Franchisee margin ¹¹ %	18.9%	18.3%	0.5pp
CAPEX (PLNm)	(299)	(325)	(8.1%)
Net debt / adj. EBITDA post rent (x) (EoP) ¹²	1.1x	1.6x	(0.5x)

(1) Adjusted for one off items - detailed information [\[see table 7\]](#); (2) Adjusted for one off items - detailed information [\[see table 11\]](#); (3) Represents Sales to End Customers from Żabka stores, as well as of New Growth Engines, and does not represent the consolidated revenue; (4) Including Froo stores (Romania) and Nano stores; (5) Defined as the comparison of Sales to End Customers from Żabka Polska stores between periods, taking into account the sales of stores operating on the same day of both the current and previous period; (6) Calculated as EBITDA divided by Sales to End Customers; (7) Calculated as Adjusted EBITDA divided by Sales to End Customers; (8) Calculated as Net Profit/ (Net Loss) divided by Sales to End Customers; (9) Calculated as Adjusted Net Profit/ (Net Loss) divided by Sales to End Customers; (10) Franchisee margin defined as the amount franchisees earn from selling products plus incentives received from Żabka Polska; (11) Franchisee margin defined as the amount franchisees earn from selling products plus incentives received from Żabka divided by Sales to End Customers from Żabka Polska stores; (12) Net debt (excluding lease liabilities) / Adjusted EBITDA post-rent (x)

The Key Performance Indicators (KPIs) and Alternative Performance Measures (APMs) presented in the Executive Summary are used to assess the Żabka Group's business performance and are widely adopted across the grocery retail peer group. These metrics provide investors with a consistent framework to analyse, compare, and value of Żabka Group relative to its industry peers. The KPIs and APMs disclosed in the Q1 and Q3 publications are not subject to an auditor's review.

Revenue

In the Q1 2026, consolidated revenue increased by 15.9%, reaching PLN 6,565 million. This growth, similarly as the increase in Sales to End Customers (StEC), was driven by the same key factors: continued expansion of the store network, like-for-like (Lfl) performance, and the ongoing development of New Growth Engines (NGE). Revenue growth was additionally supported by higher inventory build-up in stores ahead of the Easter period, as presented in Table 2 below.

Sales to End Customers and Revenue Reconciliation

Sales to End Customers (StEC) is defined as the combined sales generated by both reporting segments: Ultimate Convenience (Żabka stores) and New Growth Engines (NGE). While not directly equivalent to consolidated revenue, StEC serves as a key performance indicator that reflects the underlying commercial strength of the Group's business model. It is widely used by investors and analysts to assess performance across the grocery retail sector.

The table below provides a reconciliation between consolidated revenue and Sales to End Customers, ensuring transparency and consistency with statutory financial measures.

Table 2: Breakdown of Revenue Components for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Sales to End Customers	7,411	6,618	12.0%
Store inventory change ¹	453	208	118.0%
Regional sales and other adjustments	16	(11)	(241.5%)
Sales of goods, products and services	7,880	6,815	15.6%
Franchisee margin	(1,315)	(1,149)	14.4%
Revenue	6,565	5,666	15.9%

¹ Includes store-level inventory shrinkage and associated losses

The most significant adjustment between StEC and consolidated revenue relates to the franchisee margin, which is not included from statutory revenue. Additionally, StEC includes regional sales that are not recognized as Żabka Group revenue, as they reflect products sourced independently by franchisees from external suppliers. Furthermore, under the Group's accounting policy, revenue is recognized at the point of delivery to

franchisees. This creates timing differences between the Group's recognized revenue and the sales made by franchisees to end customers, which are reflected in inventory changes at Żabka stores. The inventory changes also include store-level inventory shrinkage and associated losses.

Franchisee margin

Table 3: Sales to End Customers at Żabka Stores and Franchisee Margin for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Sales to End Customers at Żabka stores (non statutory)	6,972	6,269	11.2%
Franchisee margin (non statutory)	(1,315)	(1,149)	14.4%
% of Sales to End Customers at Żabka stores	18.9%	18.3%	0.5pp

The franchisee margin, representing earnings of franchisees from operating Żabka Polska store and selling products to customers, increased by 14.4% in Q1 2026, while the franchisee margin as a percentage of Sales to End Customers at Żabka stores rose from 18.3% to 18.9%. This increase was offsetting the slightly softer external environment and a provision for franchise-related costs associated with the sale of goods delivered at the end of March and intended for sale during the Easter period (in April).

Sales to End Customers per Segments

The Group operates through three operating segments: (i) Ultimate Convenience (ii) New Growth Engines and (iii) Corporate Functions and Other.

For the Ultimate Convenience segment, Sales to End Customers (StEC) is calculated based on the total value of receipts recorded at cash registers. In Q1 2026, StEC from stores reached PLN 6,972 million, reflecting a 11.2% year-over-year increase. This growth was primarily driven by two key factors: the opening of new stores and LfL sales growth.

New Growth Engines (NGE) have experienced rapid expansion since their launch in 2021, growing by 25.7% year-over-year—from PLN 349 million in Q1 2025 to PLN 439 million in Q1 2026. This growth is driven by the Group's growing business in the Romanian market, as well as the development of our Digital Customer Offering (DCO). In Romania, the Group continues to develop its store network under Froo, As of 31 March 2026, the network comprised 204 stores as of 31 March 2026, including 32 new openings in Q1 2026.

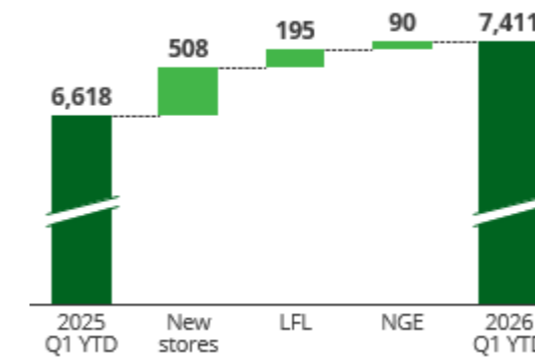
Table 4: Sales to End Customers by Żabka Stores (Ultimate Convenience) and New Growth Engines for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Sales to End Customers	7,411	6,618	12.0%
Sales to End Customers at Żabka stores (Ultimate Convenience)	6,972	6,269	11.2%
New Growth Engines	439	349	25.7%

Drivers of Sales to End Customer Growth

The increase in Sales to End Customers was primarily driven by three key growth factors: (i) store expansion, (ii) strong LfL growth, and (iii) development of NGE.

Chart 1: Sales to End Customers growth by drivers (PLN m)



In the first three months of 2026, Żabka Group opened 435 new stores, bringing the total number of stores to 12,750 as of 31 March 2026. During the same period, the Group closed 24 stores, twenty-one less than in Q1 2025, reducing the closure rate by 0.2 percentage points, from 0.4% to 0.2% of the total store base. With a record 2,742 franchisees added in the last 12 months, Żabka Group is well-positioned to meet the revised 2026 goal of 1,300+ new stores.

Store expansion in the first three months of 2026 contributed to a year-on-year increase in Sales to End Customers (StEC) of PLN 508 million. LfL growth added PLN 195 million, while New Growth Engines (NGE) accounted for an additional PLN 90 million. In total, the year-on-year increase in StEC for Q1 2026 was driven by store expansion (64%), LfL growth (25%), and NGE (11%).

The LfL growth—measured as the change in daily receipt sales for Żabka Polska stores operating on the same calendar days in both the current and prior year—amounted to 3.2% in Q1 2026. Performance was negatively impacted by challenging weather conditions, including snowfall in January and February and lower temperatures compared with Q1 2025 contributing to softer store traffic.

Table 5: Store Network Dynamics and Sales to End Customers for Q1 2026 vs Q1 2025

PLN m	Q1 2026	Q1 2025
Number of Stores (31 Dec prior year)	12,339	11,069
New stores	435	436
Closures	24	45
% of all stores	0.2%	0.4%
Number of Stores (31 March)	12,750	11,460
LfL	3.2%	6.0%
Sales to End Customers	7,411	6,618
% Growth	12.0%	14.8%

Selected Elements of Profit and Loss and non IFRS Profitability KPI (APMs)

Table 6: Key Elements of the Consolidated Income Statement and Selected Non-IFRS Profitability Metrics for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Sales to End Customers	7,411	6,618	12.0%
Revenue	6,565	5,666	15.9%
Cost of sales	(5,606)	(4,852)	15.5%
Gross Profit on sales	959	814	17.8%
Marketing costs	(87)	(67)	29.4%
General and administrative costs	(139)	(121)	15.2%
Costs of technology, innovation and development	(83)	(79)	4.7%
Other costs	(2)	(2)	12.7%
EBITDA	648	545	19.0%
Depreciation and amortisation	(503)	(439)	14.6%
Operating profit (EBIT)	145	106	37.3%
Financial income and costs	(210)	(227)	(7.3%)
Profit before tax	(65)	(121)	46.3%
Income tax expense	(8)	(4)	86.4%
Net Profit	(73)	(125)	41.8%
Net Profit margin	(1.0%)	(1.9%)	0.9pp
Alternative Performance Measures (APMs)			
Adjusted EBITDA	674	596	13.1%
Adjusted EBITDA margin	9.1%	9.0%	0.1pp
Adjusted Net Profit	(51)	(77)	33.0%
Adjusted Net Profit margin	(0.7%)	(1.2%)	0.5pp

Cost of sales

The cost of sales represents the value of goods and products sold, logistics and distribution costs (including primarily external services and salaries), and operating and maintenance costs of stores (including repair and renovation, energy and utility costs).

Gross profit on sales

In the Q1 2026, our gross profit increased by 17.8%, reaching PLN 959 million. The gross profit margin rose from 12.3% in Q1 2025 to 12.9% in Q1 2026, driven by several key factors:

- Accelerated growth enhanced Żabka Group's purchasing power, enabling more competitive procurement and contributing to higher gross margins;
- Effective pricing and promotional strategies, including active price segmentation and diversification;
- Like-for-like (Lfl) sales growth outpacing CPI inflation;
- Operational leverage, particularly in store operations, energy, and field force costs, supported by the normalisation of energy prices.

Marketing, general, administrative and technology costs

In the first three months of 2026 marketing, G&A, and technology, innovation & development costs, as a percentage of *Sales to End Customers* (StEC), increased by 13 basis points year over year. The rise in costs was mainly driven by enhanced marketing efforts supporting the street food offering including "Obiady czwartkowe" (Thursday Lunches) campaign and development of Maczfit's partnership with Jamie Olivier, the British chef, launched in April and the development of new digital businesses and operations in the Romanian market. General and Administrative (G&A) costs showed slightly lower dynamics, offset by Technology cost decrease (as a percentage of *Sales to End Customers* (StEC)) primarily driven by cost phasing across months, and lower-than-planned SuperApp costs, while current savings are expected to partially reverse in the second half of 2026.

EBITDA and Adjusted EBITDA

Assessment of the Group's financial performance is made mainly on the basis of Adjusted EBITDA. This indicator should be viewed as an addition to, and not a substitute for, the results of operations presented under IFRS.

In Q1 2026, Adjusted EBITDA amounted to PLN 674 million, representing an 9.1% margin as a percentage of *Sales to End Customers* (StEC), up from 9.0% in Q1 2025. The improvement in Adjusted EBITDA margin was primarily driven by growth in the *Ultimate Convenience* segment—fueled by store expansion and Lfl sales growth—alongside cost efficiencies related to logistics optimization and energy savings. The expansion of the Adjusted EBITDA margin is underscoring the strength of our operational efficiency and disciplined cost management

To provide a clearer view of our underlying business performance, we adjust our operating results to exclude one-off, non-recurring items.

The primary adjustment impacting the difference between EBITDA and Adjusted EBITDA in Q1 2026 was the recognition of expenses associated with our share-based incentive schemes - the Long-Term Incentive Plan (LTIP).

Table 7: EBITDA to Adjusted EBITDA reconciliation for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
EBITDA	648	545	19.0%
Adjustments	26	49	(46.8%)
Reclassification	(0)	2	(113.4%)
Adjusted EBITDA	674	596	13.1%

Table 8: Adjustments and Reclassifications for Q1 2026 vs Q1 2025

Adjustments and Reclassifications (PLN m)	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)
Costs related to changes in the ownership structure and obtaining financing ¹	–	(20)
Incentive schemes and additional compensation in connection with the termination of cooperation with key employees ²	(26)	(29)
Reclassification of result on the disposal of property, plant and equipment and right of use	1	(1)
Reclassification of minimal tax in Romania	(1)	(2)
Total adjustments and Reclassifications	(26)	(51)

(1) mainly IPO Bonus costs recognition; (2) mainly LTIP (Long Term Incentive Programme) related costs recognition

Adjusted EBITDA split per reporting segments

The *Ultimate Convenience* segment continued to drive Adjusted EBITDA growth in the first three months of 2026, recording a year-over-year increase of 17.0%. This strong performance supported continued investment in the development of new business areas, with a particular focus on the development of Froo store network in the Romanian market.

Table 9: Adjusted EBITDA of Żabka Group by Segment – for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Adjusted EBITDA Żabka Group	674	596	13.1%
<i>Out of which:</i>			
Ultimate Convenience Segment	830	709	17.0%
New Growth Engines Segment	(56)	(24)	(135.7%)
Corporate Functions and Other	(93)	(84)	(10.4%)
Consolidation Adjustments	(7)	(5)	(27.8%)

Depreciation and amortization

Depreciation and amortisation costs increased by 14.6% in Q1 2026, reaching PLN 503 million. This rise was primarily due to network expansion, increase in depreciation of right-of-use assets resulting from the indexation of rent costs, and strategic investments in the development of new technologies.

Financial Income and costs

Finance costs reflect the benefit of the September 2025 refinancing and renegotiation of the Group's credit facilities, including reduced lending margins, further supported by lower market interest rates. This was partly offset by higher interest expense on finance leases related to ongoing store network expansion. Financial income in Q1 2025 was mostly driven by favorable movements in foreign exchange rates.

Table 10: Financial Income and Costs for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Financial Income	3	24	(89.5%)
<i>Interest</i>	2	3	(21.0%)
Other	0	21	(99.6%)
Financial Costs	(213)	(250)	(14.9%)
<i>Interest</i>	(200)	(237)	(15.8%)
<i>Lease agreements</i>	(96)	(89)	8.1%
<i>Other interests</i>	(104)	(148)	(30.1%)
Other	(13)	(13)	2.3%
Net financial income/costs	(210)	(227)	(7.3%)

Net Profit and Adjusted Net Profit

The adjustments applied to the net profit line are determined by taking the adjustments at the EBITDA level and then subtracting the corresponding tax amount for each adjusted element. This ensures that each adjustment made to EBITDA is reflected appropriately after accounting for the respective tax implications, resulting in a more accurate representation of the net profit figure.

Table 11: Net Profit and Adjusted Net Profit for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Net Profit (Net Loss)	(73)	(125)	41.8%
Adjustments (including tax effect)	22	49	(55.6%)
Adjusted Net Profit (Net Loss)	(51)	(77)	33.0%
Adjusted Net Profit (Net Loss) margin	(0.7%)	(1.2%)	0.5pp

The adjusted net loss typically recorded in the first quarter of the Group's business decreased further to PLN 51 million, representing an improvement of PLN 26 million year-on-year. This development was driven mainly by the continued growth of the business in Poland and strong operational performance.

Free Cash Flow

We calculate our Free Cash Flow as Adjusted EBITDA, minus rent and capital expenditures (CAPEX), adjusted for changes in working capital and provisions, plus the impact of Property Fund.

Table 12: Adjusted EBITDA, CAPEX, and Free Cash Flow (FCF) for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)	YoY Ch
Adjusted EBITDA	674	596	13.1%
Rent	(299)	(266)	12.2%
Adjusted EBITDA post-rent	375	330	13.8%
CAPEX excluding Property Fund CAPEX	(271)	(315)	(14.2%)
Property Fund, including:	(28)	(10)	192.3%
CAPEX	(28)	(10)	192.3%
Changes in working capital and provisions	(48)	86	(156.3%)
FCF	28	91	(69.2%)
FCF Conversion	7.5%	27.5%	(20.1pp)

Free Cash Flow (FCF) serves as a key metric used to assess the Group's underlying cash generation from operating activities, adjusted for cash outflows related to rental expenses (classified under financing activities) as well as CAPEX and Property Fund expenditures (classified under investing activities).

Reconciliation between FCF and net cash flows reported within Consolidated Statement of Cash Flows is described below.

The reconciliation of Adjusted EBITDA can be found in table 7. Rent refers to real estate lease agreements and is included in both the repayment of lease liabilities and the lease interest paid, as outlined in the net cash flows from financing activities. CAPEX is detailed under the purchase of property, plant and equipment, and intangible assets in the cash flows from investing activities.

In the first three months of 2026, we generated Free Cash Flow (FCF) of PLN 28 million, representing a 69% decrease compared to Q1 2025. The Group remains focused on driving sales and margin delivery:

- Ongoing optimization of the store footprint continues to support EBITDA expansion and a sustained uplift in the EBITDA margin.

- The year-on-year reduction in discretionary capex reflects the timing of an elevated refurbishment programme completed in late 2025, alongside the execution of the store opening pipeline in Q1 2026. The increase in Property Fund capex is primarily attributable to ongoing investment in new distribution center capacity.
- The year-on-year working capital variance versus Q1 2025 reflects more intensive promotional activity before Easter and a deliberate increase in inventory levels across the franchise network.

CAPEX

Table 13: CAPEX by Business Area for Q1 2026 vs Q1 2025

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)
Ultimate Convenience	(228)	(270)
New Growth Engines	(48)	(28)
Corporate & Strategic Leadership	(22)	(27)
Total CAPEX	(299)	(325)

Our capital expenditure (CAPEX) is largely discretionary and focused on supporting business growth. Within the *Ultimate Convenience* segment, the largest portion of investment was allocated to new store openings in Poland, totaling PLN 137 million in Q1 2026. The average CAPEX per store stood at PLN 0.44 million, nearly in line with the level recorded in Q1 2025.

A major contributor to CAPEX growth was the *New Growth Engines* (NGE) segment, with Romania showing the most significant increase—32 new stores opened in Q1 2026—along with logistics infrastructure and support systems. Additionally, we continued to expand our *Digital Customer Offering* by investing in the development of capabilities across our portfolio. CAPEX under *Corporate & Strategic Leadership* included investments in technology projects related to automation, robotics, and software.

Net debt and financial leverage

Our management uses various financial ratios to measure Żabka Group's indebtedness, including:

- net financial debt (excluding lease liabilities),
- net financial debt (excluding lease liabilities) to Adjusted EBITDA (post-rent),
- net financial debt (including lease liabilities),
- net financial debt (including lease liabilities) to Adjusted EBITDA.

Table 14: Net Debt, Lease Liabilities and Leverage Ratios – as of 31 March 2026 and Prior Periods (in PLN million)

PLN m	31.03.2026	31.12.2025	31.03.2025	31.12.2024
Gross debt (total loans and borrowings)	4,146	4,148	4,697	4,549
Cash and cash equivalents	(844)	(1,079)	(552)	(750)
Net debt (excluding lease liabilities)	3,302	3,069	4,145	3,799
Lease liabilities	5,541	5,301	4,950	4,855
Net debt (including lease liabilities)	8,843	8,370	9,095	8,654
Net debt (excluding lease liabilities) / Adjusted EBITDA post-rent (x)	1.1x	1.0x	1.6x	1.5x
Net debt (including lease liabilities) / Adjusted EBITDA (x)	2.1x	2.1x	2.5x	2.5x

Financial leverage change, primarily due to strong cash generation and an increase in Adjusted EBITDA. By the end of March 2026, the net financial debt to Adjusted EBITDA post-rent ratio (excluding lease liabilities) was reduced from 1.6x at the end of March 2025 to 1.0x at end of December 2025 and slightly increased to 1.1x at the end of Q1 2026 due to seasonally higher working capital investment.

Despite an increase in lease liabilities—primarily driven by the expansion of the store network and the inflation-linked remeasurement of lease payments—net financial debt (including lease liabilities) to Adjusted EBITDA stood lower as of 31 March 2026 than at 31 March 2025 and remained broadly in line with the FY 2025 year-end level.

Balance sheet

Table 15: Condensed Consolidated Statement of Financial Position – as of 31 March 2026 and 31 December 2025 (in PLN million)

PLN m	31.03.2026 (not reviewed)	31.12.2025 (not reviewed)
Goodwill	3,438	3,437
Property, plant and equipment	4,485	4,438
Right-of-use assets	5,097	4,899
Other	1,433	1,381
Non-current assets	14,454	14,155
Inventory	1,005	1,150
Trade receivables	2,838	2,794
Cash and cash equivalents	844	1,079
Other	303	336
Current assets	4,990	5,358
Total assets	19,444	19,514
Loans and borrowings	3,839	3,829
Lease liabilities	4,637	4,445
Other	251	298
Non-current liabilities	8,728	8,572
Loans and borrowings	307	318
Lease liabilities	904	857
Trade payables and other financial liabilities	6,369	6,631
Other	687	643
Current liabilities	8,267	8,448
Total liabilities	16,995	17,020
Total equity	2,449	2,494

Assets

The largest components of our non-current assets as of 31 March 2026 include:

Goodwill, amounting to PLN 3,438 million, of this, PLN 3,166 million was recognized in 2017 following the acquisition of all shares in Żabka Polska S.A. The minor change in the period reflects exchange rate differences related to the acquisition of DRIM Daniel Distribuție FMCG;

Property, plant, and equipment, valued at PLN 4,485 million (up from PLN 4,438 million as of 31 December 2025), primarily comprising physical infrastructure across stores, logistics operations, headquarters and warehouses;

Right-of-use assets, totaling PLN 5,097 million (versus PLN 4,899 million at year-end 2025), largely reflecting lease agreements for stores, logistics centers, headquarters, company vehicles, and material handling equipment used in our distribution centers.

The overall increase in non-current assets by PLN 298 million (+2.1%) was mainly driven by investments in property, plant, and equipment (new store fit-outs and remodeling) and the expansion or modification of lease contracts.

Within current assets, **trade receivables** amounted to PLN 2,838 million as of 31 March 2026 (compared to PLN 2,794 million as of 31 December 2025), consisting mainly of receivables from franchisees, typically secured by in-store inventory. Other significant current asset items include:

Cash and cash equivalents, which decreased to PLN 844 million (from PLN 1,079 million at year-end);

Inventories decreased to PLN 1,005 million, down from PLN 1,150 million at year-end, reflecting the typical seasonal pattern of the business.

The 6.9% decrease in total current assets as of 31 March 2026 was largely driven by the decrease in cash and cash equivalents (see Cash Flow section, p.11). Excluding cash, current assets decreased by PLN 134 million (3.1%), primarily due to seasonal business patterns.

Liabilities

Key components of our non-current liabilities as of 31 March 2026 include:

Loans and borrowings, which totaled PLN 3,839 million, compared to PLN 3,829 million as of 31 December 2025. This category primarily comprises bank loans and bonds.

Lease liabilities, which increased to PLN 4,637 million from PLN 4,445 million at year-end 2025. These reflect lease agreements for properties, store equipment, vehicles, and lift trucks.

The total increase in non-current liabilities of PLN 155 million (1.8%) was primarily driven by a PLN 192 million increase in non-current lease liabilities, resulting from new lease contracts and modifications to existing agreements with a PLN 46 million decline in deferred tax liability.

The largest component of current liabilities is trade payables and other financial liabilities, which amounted to PLN 6,369 million as of 31 March 2025—an decrease of PLN 261 million (-3.9%) compared to year-end 2025.

Equity

The Group's equity was PLN 2,449 million as of 31 March 2026. The decrease of PLN 45 million (+1.8%) compared to 31 December 2025 was primarily attributed to Net Loss for 3-month period 2026 partially compensated by IPO Award and Long Term Incentive Program (LTIP).

Cash flow

Table 16: Consolidated Statement of Cash Flows – Q1 2026 vs. Q1 2025 (in PLN million)

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	(65)	(121)
Adjusted for:		
Depreciation and amortisation	503	439
Share-based payments expense	26	47
Changes in working capital and provision, out of which:	(48)	86
<i>Receivables</i>	(63)	106
<i>Inventory</i>	145	180
<i>Right of return assets</i>	(2)	(46)
<i>Payables (except loans and borrowings)</i>	(169)	(218)
<i>Other</i>	41	64
Net interest (income)/ cost	197	234
Balance of other	12	(8)
Income tax paid	(54)	(105)
Net cash flows from operating activities	571	572
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(383)	(517)
Balance of other	3	11
Net cash flows from investing activities	(380)	(506)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(215)	(190)
Lease interest paid	(96)	(88)
Proceeds from loans and borrowings	211	452
Repayment of loans and borrowings	(213)	(302)
Other interest paid	(114)	(136)
Proceeds from the issuance of equity instruments to non-controlling interests	2	0
Net cash flows from financing activities	(425)	(264)
Net change in cash and cash equivalents	(234)	(198)

PLN m	Q1 2026 (not reviewed)	Q1 2025 (not reviewed)
Cash and cash equivalents at the beginning of the period	1079	750
Cash and cash equivalents at the end of the period	844	552

Operating Activities

Net cash flows from operating activities totaled PLN 571 million for the first three months of 2026, broadly in line with the prior year, underscoring the resilience and consistency of our business model.

Profit before tax in Q1 2026 reached PLN (65) million, up from PLN (121) million in Q1 2025, representing growth of 45.4% year over year.

Depreciation and amortisation expenses for the first three months of 2026 grew by 14.6% year over year to PLN 503 million, in line with the Group's investment activity across core operations.

Working Capital Movements

Overview: In the three months of 2026, working capital movements resulted in a net cash outflow of PLN 48m, reflecting in general the normal seasonality of the business. The key drivers are summarized below.

Receivables increased by PLN 63m versus year-end 2025 and by PLN 169m year-on-year. The year-on-year movement reflects primarily higher stock levels held in franchisee stores.

Inventories decreased by PLN 145m, in line with seasonal pattern and the sell-through of seasonal ranges. This compares with a PLN 180m reduction in the prior-year period, when inventory release progressed faster.

Payables increased by PLN 169m in the three months of 2026. On a year-on-year basis, payables outflow was PLN 49m lower, primarily due to a shift in the payment cycle between 2025 and 2026.

Investing Activities

Net cash flows from investing activities amounted to PLN (380) million in the first three months of 2026, representing a year-on-year decrease of PLN 126 million. This variance was primarily driven by the rollout of street food ovens across the store network in 2025. During the quarter, investment focus remained on business growth, including the continued expansion of the Żabka store network in Poland and the Froo store network in Romania, strengthening logistics infrastructure, including new distribution centers, supporting NGE brands and the rollout of technology solutions across the Group.

Further details on capital expenditure can be found in the CAPEX section on page 8 of this chapter.

Financing Activities

Net cash used in financing activities was PLN (425) million in the first three months of 2026, compared with PLN (264) million in the same period of 2025. The main drivers were as follows:

Proceeds from new loans and borrowings decreased from PLN 452 million in 1Q26 to PLN 211 million in 1Q25.

Lease liabilities and interest payments increased by PLN 33 million, primarily reflecting the expansion of the store network, the opening of a new distribution center and inflation-linked rent remeasurements.

Cash and cash equivalents at the end of the reporting period amounted to PLN 844 million, up by PLN 292 million versus the end of March 2025.